



Feidhmeannacht na Seirbhíse Sláinte  
Health Service Executive

fig an Phríomhoifigigh Airgeadais  
Feidhmeannacht na  
Seirbhíse Sláinte  
Seomra 125, Ospidéal  
Dr. Steevens  
BÁC 8

Office of the Chief Financial Officer  
Health Service Executive  
Room 125, Dr Steevens  
Hospital  
Dublin 8

11<sup>th</sup> July 2019

Deputy Louise O'Reilly TD,  
Dáil Éireann,  
Leinster House,  
Kildare Street,  
Dublin 2.

**Re PQ 27332 19:** *To ask the Minister for Health the fully absorbed cost of running a hospital bed per day and per annum -Louise O'Reilly*

Dear Deputy O'Reilly,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question, which you submitted to the Minister for Health for response. Your PQ above has been referred to me for response.

The average daily running cost of an in-patient hospital bed across acute hospitals can be calculated from our annual pricing cycle. This is €878 and represents the in-patient cost of a hospital including:

- Clinical staffing
- Theatres
- Laboratories
- Non-clinical staffing
- Cleaning, maintenance and other running costs

The €878 is a 'fully-absorbed' cost which means it includes treatment and care costs (such as diagnostics, theatres etc), running costs such as heating and lighting, servicing equipment etc. but excludes capital and depreciation and does not include other associated hospital costs such as Day Case, Outpatient and Emergency Department costs. The daily cost is calculated from costings submitted by hospitals under the Activity Based Funding programme and is based on 2017, the latest full year for which information is available. This cost is a national average across all nights, all hospitals and all types of inpatient cases, so it amalgamates all the different types of procedures carried out in hospitals nationally - from the most routine simple and inexpensive, to the most complex and expensive.

If a new hospital was to be built with the average case mix of work and cost of the existing system, the average daily running cost would be €878 per bed with an average annual running cost therefore being €320,470 per bed.

If you have any queries, please do not hesitate to contact me at [sarah.anderson1@hse.ie](mailto:sarah.anderson1@hse.ie) or tel: 045 882559.

Yours sincerely

*Sarah Anderson*

---

Sarah Anderson  
General Manager  
Corporate Finance  
[sarah.anderson1@hse.ie](mailto:sarah.anderson1@hse.ie) Tel: 045 882559